HOUSE BILL No. 1274

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-35; IC 6-8.1-1-1; IC 35-45-5-11.

Synopsis: Electronic gaming. Authorizes electronic gaming devices in establishments licensed to sell alcoholic beverages for consumption on the licensed premises.

Effective: July 1, 2004.

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January 15,2004, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.



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Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

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HOUSE BILL No. 1274

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A BILL FOR AN ACT to amend the Indiana Code concerning gaming and to make an appropriation.

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Be it enacted by the General Assembly of the State of Indiana:

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- SECTION 1. IC 4-35 IS ADDED TO THE INDIANA CODE AS A

 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,

 2004]:
 - ARTICLE 35. ELECTRONIC GAMING IN ESTABLISHMENTS LICENSED TO SELL ALCOHOLIC BEVERAGES

Chapter 1. General Provisions

- Sec. 1. Under 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through the elected and qualified members of the legislature, declares that the state is exempt from 15 U.S.C. 1172.
- Sec. 2. All shipments of gambling devices authorized under this article to licensed suppliers and establishments in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices
- into the state of Indiana.

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| 1 | Chapter 2. Definitions |
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| 2 | Sec. 1. The definitions in this chapter apply throughout this |
| 3 | article. |
| 4 | Sec. 2. "Adjusted gross receipts" means: |
| 5 | (1) the total of all cash and property (including checks |
| 6 | received by a licensee, whether collected or not) received by |
| 7 | a licensee from gaming operations; minus |
| 8 | (2) the total of: |
| 9 | (A) all cash paid out as winnings to patrons; and |
| 10 | (B) uncollectible gaming receivables, not to exceed the |
| 11 | lesser of: |
| 12 | (i) a reasonable provision for uncollectible patron checks |
| 13 | received from gaming operations; or |
| 14 | (ii) two percent (2%) of the total of all sums, including |
| 15 | checks, whether collected or not, less the amount paid |
| 16 | out as winnings to patrons. |
| 17 | For purposes of this section, a counter or personal check that is |
| 18 | invalid or unenforceable under this article is considered cash |
| 19 | received by the licensee from gaming operations. |
| 20 | Sec. 3. "Cheat" means to alter the selection of criteria that |
| 21 | determine: |
| 22 | (1) the result of a gambling game; or |
| 23 | (2) the amount or frequency of payment in a gambling game. |
| 24 | Sec. 4. "Commission" refers to the state lottery commission |
| 25 | established by IC 4-30-3-1. |
| 26 | Sec. 5. "Department" refers to the department of state revenue. |
| 27 | Sec. 6. "Electronic gaming device" means an electromechanical |
| 28 | device, an electrical device, or a machine that: |
| 29 | (1) upon payment of consideration is available to play or |
| 30 | operate; |
| 31 | (2) makes payoffs in any manner, including delivery of |
| 32 | premiums, merchandise, tokens, redeemable game credits, or |
| 33 | anything of value to the person playing the game; and |
| 34 | (3) is approved by the commission under this article. |
| 35 | Sec. 7. "Establishment" means a premises that is licensed to sell |
| 36 | alcoholic beverages under IC 7.1-3 to customers for consumption |
| 37 | on the licensed premises. |
| 38 | Sec. 8. "Gambling operation" means the conduct of authorized |
| 39 | gambling games in a licensed establishment. |
| 40 | Sec. 9. "Gross receipts" means the total amount of money |
| 41 | exchanged for the purchase of chips, tokens, or electronic cards by |
| 42 | electronic gaming patrons. |



| 1 | Sec. 10. "Licensee" means a person holding a license issued | |
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| 2 | under this article. | |
| 3 | Sec. 11. "Person" means an individual, a sole proprietorship, a | |
| 4 | partnership, an association, a fiduciary, a corporation, a limited | |
| 5 | liability company, or any other business entity. | |
| 6 | Chapter 3. Powers and Duties of the Commission | |
| 7 | Sec. 1. The commission has the following powers and duties to | |
| 8 | administer, regulate, and enforce gambling operations: | |
| 9 | (1) All powers and duties specified by this article. | |
| 10 | (2) All powers necessary and proper to execute and enforce | 4 |
| 11 | this article fully and effectively, including the power to do the | |
| 12 | following: | • |
| 13 | (A) Supervise and exercise jurisdiction over gambling | |
| 14 | operations within establishments licensed under this | |
| 15 | article. | |
| 16 | (B) Investigate and determine the eligibility of applicants | 4 |
| 17 | for licenses and reinvestigate licensees. | |
| 18 | (C) Take appropriate administrative enforcement or | |
| 19 | disciplinary action against a licensee. | |
| 20 | (D) Investigate alleged violations of this article. | |
| 21 | (E) Establish fees for licenses issued under this article. | |
| 22 | (F) Conduct hearings. | |
| 23 | (G) Issue subpoenas for the attendance of witnesses and | |
| 24 | subpoenas duces tecum for the production of relevant | |
| 25 | documents. | |
| 26 | (H) Administer oaths and affirmations to the witnesses and | |
| 27 | take depositions. | |
| 28 | (I) Revoke, suspend, or renew licenses issued under this | |
| 29 | article. | |
| 30 | (J) Hire employees to gather information, conduct | |
| 31 | investigations, and carry out other tasks under this article. | |
| 32 | Sec. 2. The commission shall adopt rules under IC 4-22-2 | |
| 33 | concerning the following: | |
| 34 | (1) Administering this article. | |
| 35 | (2) Establishing the conditions under which gambling | |
| 36 | operations may be conducted under this article. | |
| 37 | (3) Preventing practices detrimental to the public interest and | |
| 38 | promoting the best interests of gambling operations | |
| 39 | authorized under this article. | |
| 40 | (4) Imposing penalties for noncriminal violations of this | |
| 41 | article. | |
| 12 | (5) Protecting or enhancing the following: | |



| 1 | (A) The credibility and integrity of gambling operations |
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| 2 | authorized by this article. |
| 3 | (B) The regulatory process provided in this article. |
| 4 | (6) Authorizing electronic gaming devices that are approved |
| 5 | for gambling operations under this article. |
| 6 | (7) Establishing other qualifications and procedures for |
| 7 | granting establishment licenses under this article. |
| 8 | Sec. 3. (a) The commission shall do the following: |
| 9 | (1) Provide for the establishment and collection of license fees |
| 0 | and taxes imposed under this article. |
| 1 | (2) Deposit the license fees and taxes in the electronic gaming |
| 2 | fund established by IC 4-35-9-2. |
| 3 | (3) Levy and collect penalties for noncriminal violations of |
| 4 | this article. |
| 5 | (4) Deposit the penalties in the electronic gaming fund |
| 6 | established by IC 4-35-9-2. |
| .7 | (5) Adopt emergency rules using the same procedure under |
| 8 | which rules are adopted under IC 4-22-2-37.1 if the |
| 9 | commission determines that: |
| 20 | (A) the need for a rule is so immediate and substantial that |
| 21 | rulemaking procedures under IC 4-22-2-13 through |
| 22 | IC 4-22-2-36 are inadequate to address the need; and |
| 23 | (B) an emergency rule is likely to address the need. |
| 24 | (b) The commission shall begin rulemaking procedures under |
| 25 | IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule |
| 26 | adopted under subsection (a)(5) not later than thirty (30) days after |
| 27 | the adoption of the emergency rule under subsection (a)(5). |
| 28 | Sec. 4. The commission may employ or contract for additional |
| 29 | investigators to oversee the gambling operations under this article. |
| 0 | Sec. 5. The commission shall require that a licensee's records |
| 31 | concerning gambling operations be maintained in the manner and |
| 32 | for the time prescribed by the commission. |
| 33 | Sec. 6. The commission may enter: |
| 34 | (1) an establishment licensed under this article; or |
| 35 | (2) an office, a facility, or other premises of a person holding |
| 66 | an establishment license under this article; |
| 37 | where evidence of the compliance or noncompliance with this |
| 8 | article is likely to be found. |
| 9 | Sec. 7. (a) Except as provided in subsection (c), the commission |
| 10 | may do any of the following to a licensee that violates this article: |
| 1 | (1) Suspend, revoke, or restrict the license of the licensee. |
| 12 | (2) Impose a civil penalty set by the commission against a |



| 1 | licensee for each violation of this article. |
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| 2 | (b) If a licensee holding an establishment license issued under |
| 3 | this article no longer holds a permit issued by the alcohol and |
| 4 | tobacco commission, the commission shall revoke the establishment |
| 5 | license. |
| 6 | (c) A license issued under this article is automatically revoked |
| 7 | if the commission determines that a licensee has offered, installed, |
| 8 | serviced, maintained, possessed, or otherwise made available to the |
| 9 | public an electronic gaming device that is not licensed by the |
| 10 | commission. |
| 11 | (d) A person whose license is revoked under subsection (c) may |
| 12 | not be licensed under this article for three (3) years after the |
| 13 | revocation. |
| 14 | Sec. 8. The commission shall adopt standards for the licensing |
| 15 | of the following: |
| 16 | (1) Persons regulated under this article. |
| 17 | (2) Electronic gambling devices. |
| 18 | Sec. 9. The commission shall require a licensee conducting |
| 19 | gambling operations authorized under this article to use a cashless |
| 20 | wagering system in which a player's money is converted to tokens |
| 21 | or electronic cards that may be used only for wagering on the |
| 22 | premises of the licensee's establishment. |
| 23 | Sec. 10. The state police department shall assist the commission |
| 24 | in conducting background investigations of applicants. The |
| 25 | commission shall reimburse the state police department for the |
| 26 | costs incurred as a result of the assistance. The commission shall |
| 27 | make the payment from fees collected from applicants. |
| 28 | Chapter 4. Licensing of Establishments |
| 29 | Sec. 1. The commission may issue establishment licenses to |
| 30 | applicants that satisfy the requirements of this article. |
| 31 | Sec. 2. To qualify for an establishment license, a person must |
| 32 | operate an establishment licensed under IC 7.1-3 to sell alcoholic |
| 33 | beverages to customers for consumption on the licensed premises. |
| 34 | However, a person holding a horse track permit under |
| 35 | IC 7.1-3-17.7 may not apply for an establishment license issued |
| 36 | under this article. |
| 37 | Sec. 3. (a) A person applying for an establishment license under |
| 38 | this chapter must pay a nonrefundable application fee to the |
| 39 | commission. The commission shall determine the amount of the |
| 40 | application fee. |
| 41 | (b) An applicant must submit the following on forms provided |



by the commission:

| 1 | (1) If the applicant is an individual, two (2) sets of the |
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| 2 | individual's fingerprints. |
| 3 | (2) If the applicant is not an individual, two (2) sets of |
| 4 | fingerprints for each officer and director of the applicant. |
| 5 | (c) The application must include at least the following: |
| 6 | (1) The name and address of the applicant and of any person |
| 7 | holding at least a one percent (1%) interest in the applicant. |
| 8 | (2) The applicant's consent to credit investigations and |
| 9 | criminal record searches. |
| 10 | (3) Waivers and releases signed by the applicant that the |
| 11 | commission believes are necessary to ensure a full and |
| 12 | complete review of the application. |
| 13 | (d) An applicant shall furnish all information requested by the |
| 14 | commission, including financial data and documents, certifications, |
| 15 | consents, waivers, and individual histories. |
| 16 | (e) The commission shall review the applications for an |
| 17 | establishment license under this chapter and shall inform each |
| 18 | applicant of the commission's decision concerning the issuance of |
| 19 | the establishment license. |
| 20 | (f) The costs of investigating an applicant for an establishment |
| 21 | license under this chapter shall be paid from the application fee |
| 22 | paid by the applicant. |
| 23 | (g) An applicant for an establishment license under this chapter |
| 24 | must pay all additional costs: |
| 25 | (1) associated with the investigation of the applicant; and |
| 26 | (2) greater than the amount of the application fee paid by the |
| 27 | applicant. |
| 28 | Sec. 4. The commission shall conduct or cause to be conducted |
| 29 | a background investigation of each applicant for licensure. |
| 30 | Sec. 5. Criminal history record information obtained during the |
| 31 | investigation of an individual must be maintained by the |
| 32 | commission for the term of the license and for any subsequent |
| 33 | license term. |
| 34 | Sec. 6. The commission may require that an application or other |
| 35 | document submitted by an applicant or a licensee must be sworn |
| 36 | to or affirmed before a notary public. |
| 37 | Sec. 7. The commission may not issue a license to an applicant |
| 38 | who: |
| 39 | (1) has knowingly made a false statement of material fact to |
| 10 | the commission; |
| 41 | (2) is found by the commission to lack the necessary financial |
| 12 | stability or responsibility for licensure. |



| 1 | (3) if an individual, is less than twenty-one (21) years of age on |
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| 2 | the date the application is received by the commission; |
| 3 | (4) is on the most recent tax warrant list provided to the |
| 4 | commission by the department; |
| 5 | (5) if an individual, has been convicted of or entered a plea of |
| 6 | guilty or nolo contendere to a felony in the ten (10) years |
| 7 | preceding the date of license application, unless the |
| 8 | commission determines that: |
| 9 | (A) the individual has been pardoned or the individual's |
| 10 | civil rights have been restored; |
| 11 | (B) after the conviction or entry of the plea, the individual |
| 12 | has engaged in the kind of law abiding commerce and good |
| 13 | citizenship that would reflect well upon the integrity of the |
| 14 | commission; or |
| 15 | (C) the individual has terminated a relationship with a |
| 16 | person whose actions directly contributed to the conviction |
| 17 | or entry of the plea; |
| 18 | (6) if an individual, has been convicted of or entered a plea of |
| 19 | guilty or nolo contendere to a violation of a gambling statute |
| 20 | in any jurisdiction; or |
| 21 | (7) fails to provide all materials requested by the commission. |
| 22 | However, the commission may determine that a waiver is |
| 23 | warranted under the circumstances for an individual described in |
| 24 | subdivision (6). |
| 25 | Sec. 8. Credit and security investigation information submitted |
| 26 | in connection with an application for a license under this article is |
| 27 | confidential and may not be disclosed except for official purposes |
| 28 | under this article or under a judicial order. |
| 29 | Sec. 9. A license issued under this article may not be transferred |
| 30 | without prior written approval of the commission. |
| 31 | Sec. 10. (a) An establishment license issued under this chapter |
| 32 | expires one (1) year after the date of issuance. |
| 33 | (b) An establishment license may be renewed for a fee and in the |
| 34 | manner determined by the commission. |
| 35 | Chapter 5. Gambling Operations in an Establishment |
| 36 | Sec. 1. IC 7.1 and the rules adopted by the alcohol and tobacco |
| 37 | commission apply to a person holding an establishment license. |
| 38 | Sec. 2. Subject to the provisions of this chapter, gambling may |
| 39 | be conducted by a person holding an establishment license issued |
| 40 | under this article on the premises of the establishment. |
| 41 | Sec. 3. (a) For each establishment license that is issued by the |

commission, the commission shall create and maintain a list of the



| 1 | following: |
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| 2 | (1) The name of the individual who signed the application for |
| 3 | the license. |
| 4 | (2) The name, address, and telephone number of the person |
| 5 | holding the license. |
| 6 | (3) The number of electronic gaming devices located at the |
| 7 | establishment. |
| 8 | (4) The serial number of each electronic gaming device |
| 9 | located at the establishment. |
| 10 | (5) The sticker numbers required under section 4(c) of this |
| 11 | chapter. |
| 12 | (b) The list described in subsection (a) must be available for |
| 13 | public inspection in the offices of the commission. |
| 14 | Sec. 4. (a) An establishment license issued under this article |
| 15 | authorizes an establishment to have not more than five (5) |
| 16 | electronic gaming devices placed in the establishment. |
| 17 | (b) An establishment must pay the annual fee required under |
| 18 | IC 4-35-6-1 for each electronic gaming device located on the |
| 19 | premises of the establishment. |
| 20 | (c) The commission annually shall issue a sticker with a number |
| 21 | for each licensed electronic gaming device. The establishment must |
| 22 | place the sticker on each licensed electronic gaming device in a |
| 23 | manner determined by the commission. |
| 24 | Sec. 5. (a) An establishment license issued under this article |
| 25 | must be displayed conspicuously in the establishment. |
| 26 | (b) Gambling operations may not take place unless the |
| 27 | establishment license is displayed conspicuously in the licensed |
| 28 | establishment as required by subsection (a). |
| 29 | Sec. 6. Minimum and maximum wagers on gambling games |
| 30 | shall be determined by the commission. |
| 31 | Sec. 7. A person who has been issued an establishment license |
| 32 | may not permit any form of wagering on gambling games except |
| 33 | as permitted under this article. |
| 34 | Sec. 8. Wagers may be received only from a person present on |
| 35 | the premises of the licensed establishment. A person present on the |
| 36 | premises of the licensed establishment may not place or attempt to |
| 37 | place a wager on behalf of another person who is not present on the |
| 38 | premises of the licensed establishment. |
| 39 | Sec. 9. Wagering may not be conducted with money or other |
| 40 | negotiable currency. |
| 41 | Sec. 10. Gambling operations authorized under this article must |

be concealed from the view of a person who is less than twenty-one



| 1 | (21) years of age. |
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| 2 | Sec. 11. (a) A person who is less than twenty-one (21) years of |
| 3 | age may not make a wager under this article. |
| 4 | (b) A person who is less than twenty-one (21) years of age may |
| 5 | not be present in the area of an establishment licensed under this |
| 6 | article where gambling is being conducted. |
| 7 | Sec. 12. (a) All tokens or electronic cards that are used to make |
| 8 | wagers must be purchased from the person holding an |
| 9 | establishment license on the premises of the licensed establishment. |
| 10 | (b) The tokens, chips, or electronic cards may be purchased by |
| 11 | means of an agreement under which the licensee extends credit to |
| 12 | the patron. |
| 13 | Sec. 13. Tokens or electronic cards may be used while on the |
| 14 | premises of the licensed establishment only to make wagers on |
| 15 | gambling games authorized under this article. |
| 16 | Chapter 6. Fees |
| 17 | Sec. 1. A licensee shall annually pay a fee of one thousand |
| 18 | dollars (\$1,000) for each electronic gaming device that the licensee |
| 19 | operates in the licensee's establishment. |
| 20 | Sec. 2. Fees collected under this chapter must be deposited in the |
| 21 | electronic gaming fund established by IC 4-35-9-2. |
| 22 | Sec. 3. A local governmental authority may not charge an |
| 23 | additional fee or charge for the licensing of suppliers or |
| 24 | establishments under this article. |
| 25 | Chapter 7. Operation of Electronic Gaming Devices |
| 26 | Sec. 1. Electronic gaming devices and equipment associated with |
| 27 | electronic gaming devices must be maintained and serviced in the |
| 28 | manner and condition required by the commission. |
| 29 | Sec. 2. (a) An establishment licensee is responsible for keeping |
| 30 | a written service log in each of the electronic gaming devices. The |
| 31 | log must be located in the main cabinet access area of the device's |
| 32 | terminal. |
| 33 | (b) An individual, including an employee or agent of the |
| 34 | commission, who gains entry into any internal space of an |
| 35 | electronic gaming device shall sign the log and indicate the time, |
| 36 | date, and purpose of entry, the electronic and mechanical meter |
| 37 | readings, and the parts of the terminal inspected or repaired. |
| 38 | (c) Service log forms must be obtained from the commission and |
| 39 | be retained by an establishment during the time that the electronic |
| 40 | gaming device is being used for gambling operations and for at |
| 41 | least one (1) year after the electronic gaming device is removed |



from service.

| 1 | (d) Service logs created under this section must be available for |
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| 2 | immediate inspection by an employee or agent of the commission |
| 3 | upon request. |
| 4 | Sec. 3. The commission may inspect an electronic gaming device |
| 5 | terminal before the device or terminal is placed in operation to |
| 6 | ensure that the electronic gaming device is in compliance with this |
| 7 | article and the rules of the commission. |
| 8 | Sec. 4. An electronic gaming device must display prominently a |
| 9 | table listing the available prizes and the odds of winning. |
| 10 | Sec. 5. (a) A licensee shall maintain records of the electronic |
| 11 | gaming devices the licensee owns or leases. The records shall be |
| 12 | made available to the commission upon request and must be |
| 13 | sufficient to ensure that the electronic gaming device is operated in |
| 14 | compliance with this article and the rules of the commission. |
| 15 | (b) The records required under this section must be held by the |
| 16 | licensee during the time that each electronic gaming device is |
| 17 | located in Indiana and for at least one (1) year after the device is |
| 18 | no longer being used for gambling operations. |
| 19 | Chapter 8. Electronic Gaming Wagering Tax |
| 20 | Sec. 1. (a) A tax is imposed on the adjusted gross receipts |
| 21 | received from electronic gaming wagering authorized under this |
| 22 | article at the rate of forty percent (40%) of the amount of adjusted |
| 23 | gross receipts. |
| 24 | (b) The licensee shall remit the tax imposed by this section to the |
| 25 | department before the close of the business day following the day |
| 26 | the wagers are made. |
| 27 | (c) The department may require payment under this section to |
| 28 | be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)). |
| 29 | (d) If the department requires taxes to be remitted under this |
| 30 | chapter through electronic funds transfer, the department may |
| 31 | allow the licensee to file a monthly report to reconcile the amounts |
| 32 | remitted to the department. |
| 33 | Sec. 2. The department shall deposit tax revenue collected under |
| 34 | this chapter in the electronic gaming fund established by |
| 35 | IC 4-35-9-2. |
| 36 | Chapter 9. Electronic Gaming Fund and Disbursement of Fund |
| 37 | Money |
| 38 | Sec. 1. As used in this chapter, "fund" refers to the electronic |
| 39 | gaming fund established by section 2 of this chapter. |
| 40 | Sec. 2. The electronic gaming fund is established. Money in the |
| 41 | fund does not revert to the state general fund at the end of a state |
| 42 | fiscal year. |



| 1 | Sec. 3. There is annually appropriated to the commission from | |
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| 2 | the fund an amount sufficient to administer this article. | |
| 3 | Sec. 4. The fund consists of: | |
| 4 | (1) licensing fees deposited into the fund under IC 4-35-6-2; | |
| 5 | and | |
| 6 | (2) taxes deposited into the fund under IC 4-35-8-2. | |
| 7 | Sec. 5. The treasurer of state shall invest the money in the fund | |
| 8 | not currently needed to meet the obligations of the fund in the same | |
| 9 | manner as other public funds may be invested. Interest that | _ |
| 10 | accrues from those investments shall be deposited in the fund. | |
| 11 | Sec. 6. (a) After funds are appropriated under section 3 of this | |
| 12 | chapter, each month the treasurer of state shall distribute the taxes | |
| 13 | remitted by a licensee under IC 4-35-8-1 as follows: | |
| 14 | (1) Two-thirds (2/3) to the state general fund. | |
| 15 | (2) One-third (1/3) to the county treasurer of the county in | |
| 16 | which the licensee's gambling operation is located. | |
| 17 | (b) The county auditor shall distribute the money received by | |
| 18 | the county under subsection (a) as follows: | |
| 19 | (1) To each city located in the county, according to the ratio | |
| 20 | the city's population bears to the total population of the | |
| 21 | county. | |
| 22 | (2) To each town located in the county, according to the ratio | |
| 23 | the town's population bears to the total population of the | |
| 24 | county. | |
| 25 | (3) After the distributions required in subdivisions (1) and (2) | |
| 26 | are made, the remainder shall be retained by the county. | |
| 27 | Chapter 10. Crimes and Penalties | |
| 28 | Sec. 1. A person who knowingly or intentionally: | |
| 29 | (1) makes a false statement on an application submitted under | |
| 30 | this article; | |
| 31 | (2) operates a gambling operation in which wagering is | |
| 32 | conducted or is to be conducted in a manner other than the | |
| 33 | manner required under this article; | |
| 34 | (3) permits a person less than twenty-one (21) years of age to | |
| 35 | make a wager; | |
| 36 | (4) aids, induces, or causes a person less than twenty-one (21) | |
| 37 | years of age to enter or attempt to enter an area in which | |
| 38 | gambling operations are being conducted; or | |
| 39 | (5) wagers or accepts a wager at a location other than the | |
| 40 | person's licensed establishment; | |
| 41 | commits a Class A misdemeanor. | |
| 42 | Sec. 2. A person who knowingly or intentionally does any of the | |



| 1 | following commits a Class D felony: | |
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| 2 | (1) Offers, promises, or gives anything of value or benefit: | |
| 3 | (A) to a person who is connected with the owner of an | |
| 4 | establishment licensed under this article, including an | |
| 5 | officer or an employee of an owner of an establishment | |
| 6 | licensed under this article; and | |
| 7 | (B) under an agreement to influence or with the intent to | |
| 8 | influence: | |
| 9 | (i) the actions of the person to whom the offer, promise, | |
| 0 | or gift was made in order to affect or attempt to affect | 1 |
| 1 | the outcome of a gambling game; or | |
| 2 | (ii) an official action of a commission member. | • |
| 3 | (2) Solicits, accepts, or receives a promise of anything of value | |
| 4 | or benefit: | |
| .5 | (A) while the person is connected with an establishment | |
| 6 | licensed under this article, including an officer or employee | 4 |
| 7 | of a licensee; and | 1 |
| .8 | (B) under an agreement to influence or with the intent to | |
| 9 | influence: | |
| 20 | (i) the actions of the person to affect or attempt to affect | |
| 21 | the outcome of a gambling game; or | |
| 22 | (ii) an official action of a commission member. | |
| 23 | (3) Cheats at a gambling game. | |
| 24 | (4) Manufactures, sells, or distributes any cards, chips, dice, | |
| 25 | game, or device that is intended to be used to violate this | |
| 26 | article. | |
| 27 | (5) Alters or misrepresents the outcome of a gambling game | 1 |
| 28 | on which wagers have been made after the outcome is made | , |
| 29 | sure but before the outcome is revealed to the players. | |
| 0 | (6) Places a bet on the outcome of a gambling game after | |
| 31 | acquiring knowledge that: | |
| 32 | (A) is not available to all players; and | |
| 3 | (B) concerns the outcome of the gambling game that is the | |
| 34 | subject of the bet. | |
| 55 | (7) Aids a person in acquiring the knowledge described in | |
| 6 | subdivision (6) to place a bet contingent on the outcome of a | |
| 57 | gambling game. | |
| 8 | (8) Claims, collects, takes, or attempts to claim, collect, or | |
| 19 | take money or anything of value in or from a gambling game: | |
| 10 | (A) with the intent to defraud; or | |
| 1 | (B) without having made a wager contingent on winning a | |
| -2 | gambling game. | |



| 1 | (9) Claims, collects, or takes an amount of money or thing of |
|----|---|
| 2 | value of greater value than the amount won in a gambling |
| 3 | game. |
| 4 | (10) Uses in or possesses counterfeit tokens for use in a |
| 5 | gambling game. |
| 6 | (11) Possesses a key or device designed for: |
| 7 | (A) opening, entering, or affecting the operation of a |
| 8 | gambling game, a drop box, or an electronic or a |
| 9 | mechanical device connected with the gambling game; or |
| 10 | (B) removing coins, tokens, or other contents of a gambling |
| 11 | game. |
| 12 | This subdivision does not apply to a licensee or an employee |
| 13 | of a licensee acting in the course of the employee's |
| 14 | employment. |
| 15 | (12) Possesses materials used to manufacture a slug or device |
| 16 | intended to be used in a manner that violates this article. |
| 17 | Sec. 3. The possession of more than one (1) of the devices |
| 18 | described in section 2(4), 2(11), or 2(12) of this chapter creates a |
| 19 | rebuttable presumption that the possessor intended to use the |
| 20 | devices for cheating. |
| 21 | SECTION 2. IC 6-8.1-1-1, AS AMENDED BY P.L.192-2002(ss), |
| 22 | SECTION 140, IS AMENDED TO READ AS FOLLOWS |
| 23 | [EFFECTIVE JULY 1, 2004]: Sec. 1. "Listed taxes" or "taxes" includes |
| 24 | only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the |
| 25 | riverboat admissions tax (IC 4-33-12); the riverboat wagering tax |
| 26 | (IC 4-33-13); the electronic gaming wagering tax (IC 4-35-8); the |
| 27 | gross income tax (IC 6-2.1) (repealed); the utility receipts tax |
| 28 | (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted |
| 29 | gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) |
| 30 | (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the |
| 31 | county option income tax (IC 6-3.5-6); the county economic |
| 32 | development income tax (IC 6-3.5-7); the municipal option income tax |
| 33 | (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the financial |
| 34 | institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative |
| 35 | fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor |
| 36 | carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a |
| 37 | reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax |
| 38 | (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the |
| 39 | hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); |
| 40 | the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the |
| 41 | wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); |

the malt excise tax (IC 7.1-4-5); the petroleum severance tax



| 1 | (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county |
|---|---|
| 2 | food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 |
| 3 | and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and |
| 4 | hazardous chemical inventory form fee (IC 6-6-10); the penalties |
| 5 | assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and |
| 6 | penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the |
| 7 | underground storage tank fee (IC 13-23); the solid waste management |
| 8 | fee (IC 13-20-22); and any other tax or fee that the department is |
| 9 | required to collect or administer. |

SECTION 3. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 11. This chapter does not apply to gambling on electronic gaming devices licensed for use in an establishment licensed under IC 4-35.









